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## *State of Play of Climate Finance by International and National Development Banks*

International Development Finance Club (IDFC) co-hosted by CAF and KfW

December 8, 2014 / 11:30- 13:00

Room: MARANGA (Official UNFCCC venue)

### OBJECTIVE

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This side event organized by the International Development Finance Club (IDFC), the largest network of international and national development banks, seeks to present an updated view of the state and trends of climate finance internationally, and of the role different national and international actors can play in this regard.

Taking the UN Climate Summit as a starting point, the event will focus on the operationalization of the Green Climate Fund (GCF) as a central building block of the future climate finance architecture. Representatives of the public sector, including development institutions, and the private sector, will discuss challenges and opportunities ahead.

### CONTEXT

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The IDFC, formed in 2011, is a group of twenty-three national, bilateral, and regional development banks that share a similar vision of the potential role for development finance in tackling global challenges. IDFC members are distributed across Europe, Asia, Central and South America, and Africa.

Since 2010, the IDFC members have been increasingly involved in delivering climate finance at scale (reaching USD 87 billion in 2013), particularly in developing countries. With the annual “Green Finance Mapping Report” that tracks members’ climate finance contributions and activities, IDFC strives to increase transparency in climate finance flows and reporting. Both at the UN Climate Summit as well as in the process of the operationalization of the GCF, IDFC and its members demonstrated that they stand ready to share their experiences and bring in their contribution to help pave the way for the future of climate finance.

The UN Climate Summit in September 2014 raised political momentum for a meaningful climate agreement in Paris in 2015 and galvanized transformative action in all countries to reduce emissions and build resilience to the adverse impacts of climate change. Significant announcements were made by both the public and the private sector. Leading commercial banks, for instance, intend to grow the green bond market with new issues of at least USD 30 billion and to increase by factor 10 the amount of their own assets placed in climate-smart development, the insurance industry announced plans to double the amount of their green assets to USD 84 billion, and a coalition of institutional investors committed to decarbonizing USD 100 billion of their assets. In the cross-cutting topic of climate finance, the IDFC announced that it is on track to increase direct green financing to USD 100 billion per year by the end of 2015.

In October 2014, the GCF held its 8<sup>th</sup> Board Meeting. The GCF is anticipated to become the largest and most ambitious climate fund. To achieve its objective - promoting paradigm shift towards low-carbon and climate resilient development pathways - the Fund will be guided by

several principles, in particular country ownership and a strong focus on impacts and results. The Fund is continuously evolving in its structure and modalities building on lessons learnt by exiting institutions. A special attention has been given to the Private Sector Facility of the Fund, which enables the Fund to finance national, regional and international private sector mitigation and adaptation activities.

## KEY MESSAGES

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For the GCF to reach its full potential it will be crucial to take on board lessons learnt and experiences to date and to make use of the full range of capacities on all levels. National governments, national, regional and international implementing entities and intermediaries, and the private sector can and will have to make specific valuable contributions. Those different roles and expectations will be the focus of this side event.

## PROGRAM

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Time Slot	Duration	Content
11:30-11:35	5 min	Opening remarks <ul style="list-style-type: none"> <li>Luis Enrique Berrizbeitia (Vice President, CAF)</li> </ul> Introduction to the session and introduction of the panelist <ul style="list-style-type: none"> <li>Athena Ronquillo-Ballestros (WRI) (moderator)</li> </ul>
11:35-11:55	20 min	<b>Panel Q&amp;A with Moderator:</b> <i>State of Play Climate Finance Architecture and Role of Different Actors</i> <ul style="list-style-type: none"> <li>Farrukh Khan (Head of Climate Finance, Executive Office of the UN SG): <i>UN Climate Summit - Results and the way forward</i></li> <li>Ousseynou Nakoulima (Director Country Programming, GCF Secretariat): <i>Green Climate Fund (GCF) – State of play and challenges ahead</i></li> </ul>
11:55- 12:40	45 min	<b>Panel discussion: <i>Joining forces to implement the GCF’s objectives</i></b> <ul style="list-style-type: none"> <li>➤ What contributions can different actors make?</li> <li>➤ How can capacities and ownership at a national level be strengthened?</li> <li>➤ How to support the local private sector and to mobilize private finance at scale?</li> </ul> <b>Panelists:</b> <ul style="list-style-type: none"> <li>Luis Enrique Berrizbeitia (Vice President, CAF)</li> <li>Gabriel Quijandría (Vice ministry Strategic Development of Natural Resources, Peru)</li> <li>Christian Grossmann (Director Climate Change, IFC)</li> <li>Dr. Amal-Lee Amin, E3G - Third Generation Environmentalism</li> <li>Carlos Paredes, (Business Manager, COFIDE)</li> </ul>
12:40-12:55	15 min	Q&A
12:55-13:00	5 min	Closing remarks - Athena Ronquillo-Ballestros (WRI) (moderator)
13:00 - 13:45		Informal reception with finger food and drinks